GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:2766
ANSWERED ON:03.09.2007
ONION INTERVENTION SCHEME
Gadakh Shri Tukaram Gangadhar;Narhire Smt. Kalpana Ramesh

Will the Minister of AGRICULTURE be pleased to state:

(a) whether in view of the fast perishing nature of onion as a commodity, the Government of Maharashtra has been pressing the Central Government for sharing 50% loss of onion growers under the Onion Intervention Scheme;

(b) if so, the details thereof;

(c) whether other onion growing States have also mooted similar schemes to help the onion growers;

(d) if so, the details thereof; and

(e) the response of the Union Government in this regard alongwith the details of assistance provided during each of the last three years and thereafter under the scheme and amount of onion procured therefrom?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA)

(a) & (b): The Ministry of Agriculture is implementing Market Intervention Scheme (MIS) on the request of a State/UT Government for procurement of agricultural and horticultural commodities generally perishable in nature and not covered under Price Support Scheme including onion. The MIS is implemented in order to protect the growers of these commodities from making distress sale in the event of bumper crop when there is glut in the market and the prices tend to fall below economic levels/cost of production. Procurement under MIS is made by NAFED as Central agency and by the State designated agencies. Losses, if any, incurred by the procuring agencies are shared between Central Government and the concerned State Government on 50:50 basis (75:25 in case of North-Eastern States). However, the amount of loss to be shared between Central Government and the concerned State Government is restricted to 25% of the procurement cost. Profit, if any, earned by the procuring agencies is retained by them.

No proposal from the Government of Maharashtra has been received for implementing MIS for onion during last three years and current year.

(c) to (e): On the request of Government of Rajasthan, MIS for onion has been implemented during 2004-05, 2005-06 and 2006-07 for procurement of 5000 MT onion in each year at the Market Intervention Price (MIP) of Rs.2800/- per MT in 2004-05, Rs.2500/- per MT in 2005-06 and Rs. 2800/- per MT in 2006-07. Due to implementation of MIS, the market prices of onion of Fair Average Quality (FAQ) generally ruled above the MIP. Thus, only 26 MT of FAQ onion was procured during 2004-05 only. The accounts of onion for the year 2004-05 have been settled. Further, no proposal from any State Government for implementing MIS for onion is pending with the Government.